

PROMISSORY NOTE

\$ _____, 1992

1. FOR VALUE RECEIVED, National Minority T.V., Inc., a California nonprofit corporation (herein "Debtor"), promises to pay to Trinity Christian Center of Santa Ana, Inc., dba Trinity Broadcasting Network, a California nonprofit corporation (herein "Creditor"), the sum of _____, plus interest accruing at the rate of Five Percent (5%) per annum, in one hundred twenty (120) monthly payments, beginning with _____, 19__ and ending _____, 2001, with any unpaid balance of principal and interest to be paid in full to Creditor by Debtor on _____, 20__. Each of the monthly payments to be made by Debtor to Creditor shall be equal to Thirty Percent (30%) of the identifiable, and unrestricted and undesignated donations and contributions received by Creditor from the zip code area within the service contours of Debtor's Channel _____, licensed to broadcast at _____.

If Debtor's payment in any month is insufficient to cover the then due principal and interest, then any deficit shall be added back to the principal and accrue interest at the rate of Five Percent (5%) per annum.

Debtor waives protest, notice of maturity, or nonpayment and all requirements of law necessary to hold Debtor liable and agrees that this Promissory Note may be extended, in whole or in part, or

renewed from time to time without notice and without release of liability thereunder.

This Promissory Note shall be interpreted by, at and under the laws of the State of California. Debtor hereby submits to the jurisdiction of the State of California courts in the event of default or need for interpretation.

Should it become necessary to place this Promissory Note in the hands of an attorney for collection, the undersigned Debtor agrees to pay all costs of collection, including a reasonable attorney's fee, and all court costs which may thereby arise.

"DEBTOR"

National Minority T.V., Inc.

By: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

SUBSCRIBED AND SWORN TO BEFORE ME by the said _____
_____, on this the ____ day of _____
_____, 19____.

Notary Public, State of _____

(Typed or Printed Name of Notary)
My Commission Expires: _____

GLENDAL E BROADCASTING COMPANY

EXHIBIT NO. 196

MM DOCKET NO. 93-75

JOSEPH E. DUNNE III
COLBY M. MAY*

*ALSO ADMITTED IN VIRGINIA

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September 13, 1991

PERSONAL AND CONFIDENTIAL

VIA TELECOPIER

Dr. Paul F. Crouch & Mrs. Jane Duff
National Minority TV, Inc.
P. O. Box C-11951
Santa Ana, California 92711

RE: WTGI-TV, Wilmington, Delaware

Dear Paul and Jane:

I have enclosed a copy of the famous (infamous) letter which the Commission handed us at 4:00 EST this afternoon.

I think the letter makes certain things clear at the outset. The first, I am afraid to say, is that the Commission is not going to grant the Wilmington application prior to October 1. Given the fact that the petitioner is given five business days to respond to anything filed by NMTV it is, in this world, impossible for the Commission to render a decision by October 1.

Since we are on notice that the October 1 deadline will not be extended by the bankruptcy court the FCC has consciously or unconsciously killed the deal. The only issue now, unfortunately, is how this proceeding and the questions raised in this proceeding will impact on Trinity and/or NMTV with respect to their other licenses. Especially since WTGI seems lost at this time, we can't afford to do anything which would place the other authorizations at risk.

NMTV's response is invited on a great number of issues set forth in this three page letter. Please note at the outset that Rev. Aquilar's criminal conviction does not seem to be an issue which troubles the Commission, nor does NMTV's delay in reporting the conviction seem to be an issue either. Moreover, it is important to note the context in which these questions are asked. The Commission in the first paragraph notes that it has not come to any conclusion as to the merits of the allegations in the petition to deny. The second paragraph, however, notes that the application asks for a waiver of the multiple ownership rules. It seems clear, from the way the letter is written, that the Commission has determined that there is not enough evidence of misrepresentation, etc. as alleged in the petition to deny. However, the Commission's specific reference to the multiple ownership rule indicates that they are requesting the information in the context

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Federal Communications Commission

Docket No. 93-25 Encl. No. C-196

Prescribed by Cohen

DEC 3-1993

Identified

DEC 3-1993

Disposition

Revised

Revised

Qu. W. Shuman

Reporter

DEC 3-1993

Date

Dr. Paul F. Crouch & Mrs. Jane Duff
September 13, 1991
Page 2

of whether "the proposed acquisition [is] inconsistent with the rule."

The Commission is, in essence, barking up the wrong tree. The Commission rules specifically define minority "control" as minority ownership. The Commission's questions seek to elicit information about how NMTV actually operates, and whether the minority owners actual "control" the corporation. As we have argued, we believe this is contrary to the Commission's intent in adopting the minority exception to the multiple ownership rule, and to the plain terms of the rule itself. Under the circumstances, however, we will not be able to meaningfully argue that the Commission staff is misinterpreting the Commission's intent in the multiple ownership rules since by the time all the papers are filed, and the Commission is ready to rule, October 1 will have passed. Nevertheless, in our response we will clearly state our objection to the direction of the questions to preserve full appeal rights.

At this point, NMTV essentially has three options, which I will discuss, along with their pluses and minuses, below.

- 1) The Stand-Fast Option. Under this option NMTV would file a statement arguing that the Commission's questions do not elicit information that is relevant to the legal standard which it must apply, i.e., whether Jane or Rev. Aquilar are owners of the station. NMTV would not then be providing intimate information about how it operates which might be used against it in other contexts, and which might provide enough information for the Commission to determine that NMTV's minority directors do not control the corporation.

This course of action has the advantage of preserving our legal argument, and giving a plausible excuse why NMTV is not providing the requested information.

The disadvantages to this option are also obvious. If the information is not provided, and NMTV refuses to provide the information, this gives the parties in the bankruptcy court an opportunity to argue that NMTV has breached its contractual obligation to prosecute the application with due diligence. This course of action also has the disadvantage of appearing overly legalistic and less than forthcoming to the FCC, and forfeiting the advantage of being viewed as a forthright applicant and

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licensee with nothing to hide. This would, I am sure, strengthen the staff's conviction that where there is so much smoke there must be some fire.

- 2) The Issue Is Moot Argument. You will note that NMTV is allowed 20 days to provide the information requested. This 20 days extends well past the October 1 deadline (October 3). It would be perfectly feasible to wait until October 1, to determine, as we expect, that the bankruptcy court will not further extend NMTV's deadline, and then file a response with the FCC withdrawing the application because the application is moot. The requested information would then not be provided because it would also be moot--i.e., pertain to an application that had been dismissed.

The advantages and disadvantages of this course of action are pretty much the same as those noted under (1) above. NMTV would not be required to provide information which may prove ultimately embarrassing, and which might be used by other petitioners in other contexts. Under these circumstances it would be harder (although not impossible) for the parties in the bankruptcy court to contend that NMTV has not prosecuted its application with due diligence.

The disadvantages are also the same. NMTV, for whatever reason, would not be providing information that the Commission explicitly requested. Any failure to provide such information could, in the final analysis, be interpreted as concealment.

- 3) The Honesty Is the Best Policy Option. Under this scenario NMTV would respond to the Commission's request for information as fully, completely, and forthrightly as possible, and do so as quickly as possible. If the Commission does not grant the application prior to October 1, and the bankruptcy court's deadline is not extended, NMTV's application will be moot anyway. Then, without an application on which to act, the FCC would be hard-pressed to use the information provided in the responses in a negative manner.

The downside to this approach would be that the Commission would have in its record, again, possibly embarrassing information on how NMTV's decisions are made

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which may show that NMTV's minority directors have very little input into day-to-day operations, or control over corporate decisions. It is theoretically possible that the Commission could initiate revocation proceedings against some or all of NMTV's or TBN's licenses as requested by the Petitioner, or consider the information in the context of the next renewal.

I believe, despite the fact it may seem like wasted motion now, that NMTV's best option is to be as fully and completely forthcoming as possible. The reason is quite simple. For whatever reason NMTV seems to have lost this application. The only thing that can affect NMTV's or TBN's broadcast authorizations is a serious and provable allegation that NMTV or TBN has misrepresented something to the Commission or concealed something from the Commission that was significant to the Commission's decision-making processes.

To date, with the exception of the Santa Ana situation, which is long buried, there is no real possibility that TBN, NMTV, or its principals could be charged with either misrepresentation or concealment. In NMTV's previous applications it answered every question on the Commission's form and provided every bit of information, and then some, requested by the Commission's staff to process the application. You cannot be held responsible for concealed information that was never requested.

If the information is not provided, however, unending numbers of petitioners, disgruntled employees, etc., will be free to speculate about what NMTV's responses would have been, and charge NMTV with concealment.

The other risk, of course, is that given NMTV's responses the Commission staff may decide that the intent of the minority ownership assessment is that the minority group members do not "control" the corporation, and that, therefore, NMTV is not eligible for a waiver of the rule in any subsequent assignment applications. I note here, however, that the Greensboro application will, I expect, be assigned within a few months. Odessa has already been assigned. If the Wilmington station is not assigned, and Greensboro is assigned, TBN and NMTV, based on Paul's involvement, will be in compliance with the multiple ownership rules with only 12 television stations.

Moreover, as we have discussed, Commissioner Quello and others believe that the multiple ownership rules no longer serve a useful

Dr. Paul F. Crouch & Mrs. Jane Duff
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purpose and should be abolished. Thus, the current multiple ownership inquiry could lead to an ultimate abolition of the rule and all of this would have little or no meaning.

In closing, I must note that a full and complete response to the Commission will require Rev. Aquilar's cooperation and active involvement, especially with my office. If you don't think Rev. Aquilar will be more cooperative in making himself available to us than he has in the past, given the deadlines that we are working with, then I doubt we can prepare a response in a timely manner. That would, of course, be tragic.

Please give these matters some prayerful consideration. I look forward to discussing this in greater detail with you.

Best regards, sincerely


Colby M. May

CMM:gmcB47
enclosure

GLENDALÉ BROADCASTING COMPANY

EXHIBIT NO. 197

MM DOCKET NO. 93-75

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October 1, 1991

CONFIDENTIAL
VIA TELECOPIER
1-714-730-0657

Dr. Paul F. Crouch, President
Trinity Broadcasting Network
P. O. Box C-11949
Santa Ana, California 92711

RE: NMTV

Dear Paul:

Colby thought it would be helpful if I wrote you directly to express my point of view on NMTV's recent filings in the Wilmington matter, and regarding Rev. Aguilar in particular.

We have, of course, filed NMTV's response to the September 13 letter, and our "friends" have 5 business days, or until Tuesday, October 1, to respond. By the time the response is filed, their response will probably be moot.

At any rate, this process, beginning with the Opposition to the Petition to Deny, has been complicated a great deal, and cost additional time and money, because of Rev. Aguilar's minimal cooperation during the process and his consistent refusal to talk with us on the telephone.

At the outset, we were frustrated because Rev. Aguilar would not speak to us about his criminal record. The only information we received was incomplete and clearly suspect, and NMTV had to hire a private investigator to get facts about Rev. Aguilar's criminal record that I'm sure Rev. Aguilar had in his head. When we were required to prepare the response to the Commission's letter, Rev. Aguilar again would not speak with us, signed an affidavit which he was clearly asked to notarize, and which he admitted to you that he did not even read prior to signing.

Paul, NMTV is in a federally-regulated business. NMTV is required to provide certain information concerning the licensee's principals, and to keep that information updated. It is dangerous, accordingly, to rely on a principal, who, for reasons known only to him, will not communicate directly with his own lawyers and who is so seemingly careless and heedless about the importance of accurate representations and truthful statements to the agency.

57864

Federal Communications Commission

Order No. 93-75, dated 12.3.93

Processed by Cohen

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October 1, 1991
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I also note that since he was elected to the board of directors, Rev. Aguilar has only attended two out of five board meetings.

I am going through these facts, Paul, to suggest that perhaps Rev. Aguilar is not the person upon which NMTV wishes to rely as a board member for NMTV. Because of your long relationship, and because Rev. Aguilar has been unfairly attacked, I don't mean to suggest that he should be removed from the board. However, we do believe that to comply with the FCC's stated policies concerning "minority control" that NMTV should have another strong and involved minority board member, like Jane. In this case, rather than appointing a substitute for Rev. Aguilar, I think it would perhaps be helpful to expand the board by one board member and appoint another minority director.

During several conversations you have mentioned that you considered other strong minority candidates in addition to Rev. Aguilar. Perhaps you should revisit some of those potential candidates looking for a board member upon whom you can rely, i.e., who will make himself or herself available for board meetings, who will be willing to take a more active part in NMTV's governance and business, and who will be more cooperative in communicating about NMTV's business with the FCC. In this context, Colby tells me you have spoken with Dr. E. V. Hill and I believe, based on his reputation, he would be a strong, active voice for NMTV.

I also think that that additional minority board member would help solidify NMTV's bona fides when NMTV applies for its declaratory ruling, assuming that is how you want to proceed.

This is just a suggestion for your consideration, Paul.

Personal regards,



Joseph E. Dunne III

JED:jrfB47

xc: Jane Duff

Norm Juggert, Esq.

57865

GLENDAL BROADCASTING COMPANY

EXHIBIT NO. 198

MM DOCKET NO. 93-75

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April 1, 1992

VIA TELECOPIER
1-714-730-3568

Mrs. Jane Duff, Secretary-Treasurer
National Minority TV, Inc.
P. O. Box C-11951
Santa Ana, California 92711

RE: The FCC's Request for Further Information

Dear Jane:

As we discussed on the telephone today, I received the enclosed letter from Charles Kelley, Chief of the FCC's Hearing Division, regarding the Commission's evaluation of NMTV's request for declaratory ruling, and the issues raised in Wilmington/Miami/Monroe.

There is a great deal of information requested, although a large portion has already been provided when we submitted our responses in the Wilmington matter in September of 1991. However, information regarding employees, personnel matters, bank signature cards, etc., will have to be collected.

As I explained, this inquiry is a double-edged sword. The Commission, on its own and without any other party taking an affirmative hand in requesting information (i.e., SALAD or Glendale) is presenting a chance to develop a record which may give them an out to be able to determine that the rule of 12 was not violated as between TBN and NMTV. That would then "defang" the impact any renewal hearing would have in Miami and Monroe for Trinity.

On the other hand, however, if the Commission feels actual control rested with TBN, then the Commission itself may determine to do a separate hearing. It may then decide to allow SALAD and/or Glendale to participate, or it may exclude them. It could also decide to allow any issue to be dealt with in the renewal hearing.

57830

Federal Communications Commission

Docket No. 93-75 Exhibit No. GBL 148

Presented by Cohen

(Identified DEC 3.1993

Disposition Accepted DEC 6.1993

Rejected

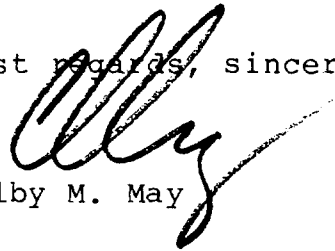
Reporter G. W. W. W.

Date DEC 3.1993

April 1, 1992
Page 2

At any rate, there is a good deal to be done between now and April 30, which is our deadline for response. Please call with any questions.

Best regards, sincerely,


Colby M. May

CMM:jrfB47

enclosure

xc: Dr. Paul F. Crouch
Norm G. Juggert, Esq.

57831

GLENDALÉ BROADCASTING COMPANY

EXHIBIT NO. 199

MM DOCKET NO. 93-75

Inter-Office Memo

When Finished, Route to:

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TO: PAUL F. CROUCH
FROM: ✓ George D. Sebastian *DS*
DATE: June 18, 1990
RE: K36CJ serving Salt Lake City, Utah
Population: 367,459
Affiliate: National Minority

Channel 36, serving Salt Lake City, Utah, signed on the air today at 2:30 p.m. Pacific Daylight Time. This is a 1,000 watt transmitter with an ERP of 30,800 watts with a directional antenna. City grade coverage is 15.34 miles with an expected "B" contour to 28.6 miles.

GDS:sd

cc: Jane Duff
Ben Miller
Stan Hollon
Rod Henke
Deanna Sebastian
Al Brown
Jack Hightower
Jim Planck
Bobbie Rowley
LaVera Johnson
Kim Tingley
Advanced Insurance

7 55464

Federal Communications Commission

Docket No. 93-25 Exemption No. 642-158

Presented by, Cohen

Disposition	{	Identified	<u>12.3.93</u>
		Accepted	<u>12.3.93</u>
		Rejected	

Reporter G. W. [unclear]

Date 12.3.93

